

# CLIMATE OF HISPANIC HOMEBUYING MARKET

## HISTORY OF DISCRIMINATION AND RECENT EVENTS

Hispanics, new immigrants, low-income, and other underserved homebuyer groups have long been denied access to safe and affordable homeownership opportunities. Through a practice called **redlining**, which started in the 1930s, the Federal Housing Administration (FHA) ranked “races” and “nationalities” with respect to their perceived level of desirability in the lending and real estate markets, listing White Anglo-Saxons at the top of the list and all other races at the bottom.

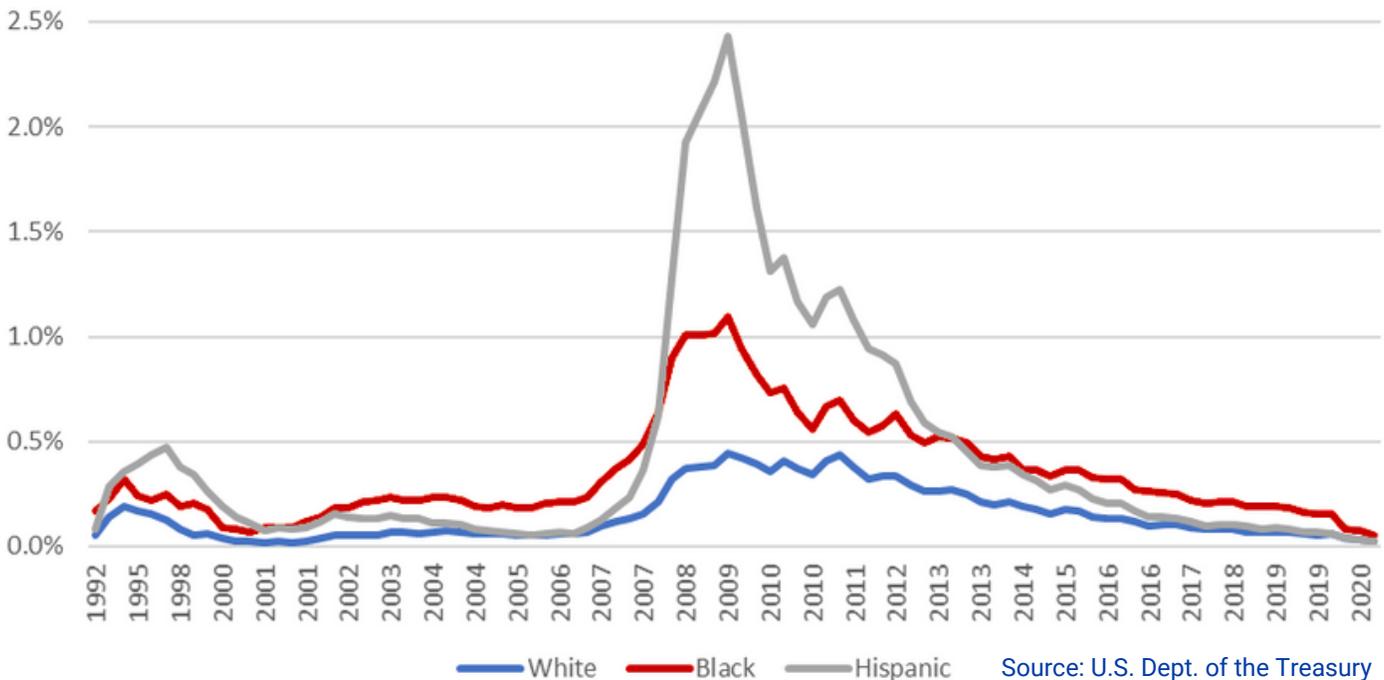
Following the passing of the Fair Housing Act of 1968 and the Equal Credit Opportunity Act of 1974, these practices were largely eliminated, but some systematic discriminatory lending practices continue. For instance, preceding the financial crisis of 2008—**Hispanics were disproportionately steered into high-cost mortgage loans, resulting in millions of families losing their homes to foreclosure in the immediately preceding years**. Foreclosures hit Hispanic homeowners more severely than any other homeowner group:



**REDLINING RACIALLY INFLUENCED FEDERAL HOUSING POLICY, AND HOW CREDIT WAS OFFERED BY LENDERS TO NON-WHITE HOMEBUYERS.**



### HISPANICS EXPERIENCE 5x THE FORECLOSURES OF WHITE HOMEOWNERS



Hispanic homebuyers are forced to live on the financial edge, having to borrow money in ways that saddle them with unnecessary debts that limit their potential to save. Low savings and high debt are boxing Hispanic Americans out of being able to prepare for homeownership or other wealth-building opportunities that could help Hispanic homebuyers achieve their full economic potential.